

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Administrative Office	(2) MEETING DATE 11/25/2014	(3) CONTACT/PHONE Robert D. Cone 781-5011	
(4) SUBJECT Hearing to consider an ordinance implementing the County fee schedule "A" for Calendar Year 2015 and fee schedule "B" Fiscal Year 2015-16. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the Ordinance updating the County fee schedule "A" effective January 1, 2015 for calendar year 2015 and fee schedule "B" effective July 1, 2015 for Fiscal Year 2015-16 and that Resolution 75-396, dated June 2, 1975, be superseded and replaced by this Ordinance.			
(6) FUNDING SOURCE(S) N/A	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input checked="" type="checkbox"/> Hearing (Time Est. 45) <input type="checkbox"/> Board Business (Time Est. __)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input checked="" type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? N/A	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: Introduced Nov. 4, 2014	
(17) ADMINISTRATIVE OFFICE REVIEW The Administrative Office prepared this item.			
(18) SUPERVISOR DISTRICT(S) All Districts			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Administrative Office / Robert D. Cone
781-5011

DATE: 11/25/2014

SUBJECT: Hearing to consider an ordinance implementing the County fee schedule "A" for Calendar Year 2015 and fee schedule "B" Fiscal Year 2015-16. All Districts.

Recommendation

It is recommended that the Board approve the Ordinance updating the County fee schedule "A" effective January 1, 2015 for calendar year 2015 and fee schedule "B" effective July 1, 2015 for Fiscal Year 2015-16 and that Resolution 75-396, dated June 2, 1975, be superseded and replaced by this Ordinance.

Discussion

Every year, County departments are asked to conduct a thorough analysis and justification for the fees they charge and to update their fee schedules. During the 1999 public hearing on the comprehensive fee schedule, the Board of Supervisors decided to review only proposed changes to the fee schedule each year and once every five years review all the fees charged for services by County departments. This report will constitute the first complete review of the entire fee schedule since November 3, 2009.

The majority of fee changes will go into effect on July 1, 2015 as part of Schedule "B". However, in December 1999, the Board approved exceptions to this effective date for Parks, Golf Courses, and Airport parking fees. These fees were moved to Schedule "A" and become effective at the start of each calendar year in order to better serve customers and effectively manage the finances of these services. Probation fees were moved to Schedule "A" in November 2011. In November 2013, Clerk-Recorder fees for birth and death records as well as copies of records to government agencies were moved to Schedule "A" to bring them into better alignment with the State statutory fee schedule. For Fiscal Year 2015-16, it is recommended that Airport parking fees be moved back to Schedule "B" to avoid conflicts with holiday travelers unaware that parking fee increases could go into effect on January 1.

Fees help offset the cost of services provided by many County departments. Examples of these services include animal adoption and registration, building permits, rental of County facilities, and passes to recreational areas such as campgrounds and golf courses. Implementation of the fee schedule continues the Board's past practice of recovering costs from those who benefit from certain services the County provides beyond the basic, tax-supported services.

Updates to the fee schedule reflect Board of Supervisors' budget policy number 21, Cost Recovery through Fees, directing departments to recover costs through fees where reasonable and after all cost-saving options have been explored. As noted later in this staff report, not all fees are set at a level to allow for full recovery of costs (i.e. other funding sources, including the General Fund, offset some portion of these costs.)

Approach and Timing of the Fee Schedule:

At the conclusion of the hearing, a master fee schedule containing the fees charged to the public for services established by the Board of Supervisors will be produced and distributed to County departments and posted on the County's web site for the public.

Executive Summary

A total of 2,008 fees were reviewed by County departments. The majority of those fees, 1,510 or 75% are recommended to remain unchanged. Increases account for 19% or 377 of the fees while 84 or 4%, are decreasing. There are 21 (1%) new fees being proposed and 17 (1%) are being eliminated for a net of 1,993 fees.

The majority of fees (77%) are at full cost recovery. In many cases, those that are not are either kept below full cost recovery due to Board policy, or set by statute. Additionally, some fees are set lower than full recovery such as most Library fees that are set lower to encourage the return of Library materials or Health Agency fees that are set below cost recovery in the interest of public health and safety.

This year, labor costs calculations for fees were based upon the current salary and benefit projection with no additional prevailing wage increase added. The use of the Consumer Price Index (CPI) was an option for Departments as well, and the April 2014 Los Angeles-Riverside Consumer Price Index for all Urban Consumers was calculated at 1.9%.

Procedures Used to Determine Fees:

Departments had the option not to make any changes to their current fee schedules if 1) the current fee was already at full cost recovery; 2) a time study or review of actual costs based on historical information did not indicate a fee change was warranted; or 3) there had been no change to statutory fees. Fee increases were determined by one of four methods depending on information available on the cost of providing the service:

1. Calculation of Actual Cost Based on Historical Information. This is the preferred method for determining fees. The actual cost of a service is usually calculated through the use of the County's cost accounting system.
2. Time-in-Motion Studies. Where large volumes of services are provided and it is impractical to determine the actual cost for each service, a time-in-motion study based on an average hourly rate is used.
3. Comparable Fee Survey. When cost accounting and time-and-motion studies are impractical, rates charged by comparable agencies for the service can also be used as cost indicators.
4. Use of Consumer Price Index (CPI): Departments had the option to apply the consumer price index to calculate their fees for FY 2015-16 based upon the April 2014 Los Angeles-Riverside Consumer Price Index for all Urban Consumers of 1.9%.

The particulars regarding the fees are reported in the departmental summaries later in this staff report. Each summary contains a chart detailing the total number of fees that were reviewed for each department. The chart indicates the number of fees that are increasing, decreasing, deleted, or are new or unchanged. Briefly, some of the more significant changes proposed by departments are:

Airports

In December 1999, Airport Parking fees were moved to Schedule "A" to become effective January 1st of each year. When parking fee changes go into effect at the beginning of the calendar year, there is a greater number of Airport customers who are impacted by the fee change during their parking time, than if fee changes go into effect in July, when not as many customers are parked at the Airport and less flights are cancelled. The proposed change to move all Airport fees to Schedule B provides for improved clarity of charges and promotes better customer service.

Drug and Alcohol

The fee for *Detox Program using Suboxone* is recommended to increase by \$341 or 141% and is now set at full cost recovery. This program has recently been redesigned and extended from 30 days to 60 days, to better serve its clients. Approximately 78% of the clients will be Drug Medi-Cal eligible and the remaining clients are charged on a sliding scale based upon their ability to pay.

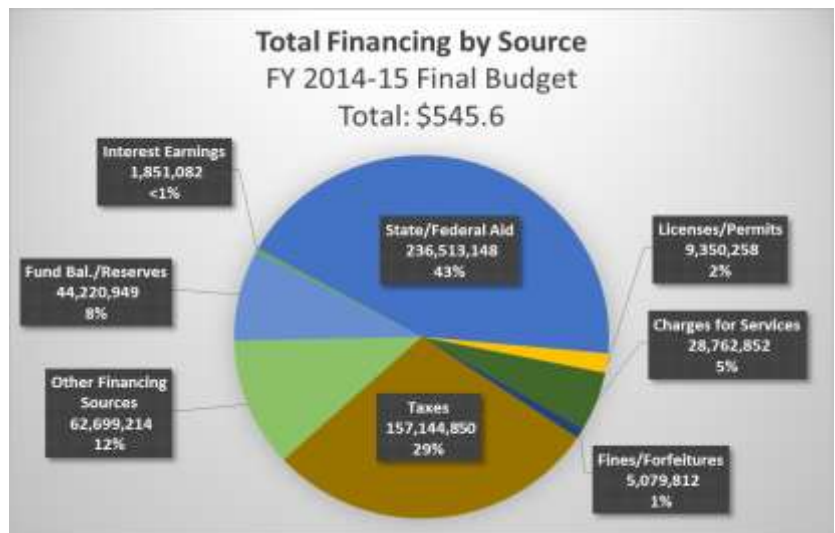
Other Agency Involvement

All departments that charge fees are responsible for updating their fee schedules, supported by actual cost calculations or other methods as mentioned above. The proposed fees have been reviewed and approved by the appropriate commissions and advisory bodies. All calculations are reviewed by the Auditor-Controller-Treasurer Tax Collector – Public Administrator's Office, who approves them prior to the recommended fees being submitted to the Administrative Office. The Administrative Office reviews all proposed changes for policy implications and to ensure the requested fee does not exceed actual costs. County Counsel has reviewed the fee authority and fee ordinance for form and legal effect.

Financial Considerations

Fees help to offset the cost of providing County services to those who benefit from services that exceed basic tax-supported services. Fees for services, including licenses, permits, fines and forfeitures represent approximately \$43.2 million of the County's sources of financing for Fiscal Year 2014-15. This compares to other major revenue sources including \$236.5 million of State and Federal Aid and \$265.9 million in sale, property, and other taxes and revenues as well as fund balance/reserves. For FY 2014-15 fees represent approximately 5.3% of revenues. Fees for services: including licenses, permits, fines and forfeitures, represent approximately 7.9% of total revenues.

Please note that fees as a percentage of funding in FY 2015-16 are unknown at this time since the budget for FY 2015-16 has not yet been created. However, based on preliminary estimates by departments, fee for services revenue (excluding licenses, permits, fines and forfeitures), will increase by approximately .27% (\$1.4 million) for FY 2015-16 as compared to FY 2014-15 budgeted levels of \$28.7 million. A main driver for this increase in revenue is an expected increase of \$1.2 million in Behavioral Health. This increase is due to the projected volume of Mental Health Services provided as well as changes in our continued ability to recover costs through Medi-Cal reimbursements as a result of AB 1297. Revenue projections are preliminary and departments will refine their projections as part of their budget submittal for FY 2015-16.



Results

This public hearing will provide an opportunity for the public and the Board of Supervisors to discuss cost-recovery through fees, how fees are calculated, and the difference between tax-supported services and fee-supported services. Implementation of the fee schedule will continue the Board of Supervisors' past practice of recovering costs from those who benefit from certain services the County provides beyond the basic, tax supported services.

SUMMARY OF CHANGES TO CURRENT FEES
Schedule "A" – Fees Effective JANUARY 1, 2015

Clerk-Recorder – Fund Center 110

As shown in the chart below, the fee schedule workbook being submitted by the Clerk-Recorder contains a total of 3 proposed Schedule A fees.

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
3	3	0	0	0	0	N/A

The Schedule A proposed fees are all statutory fees and are set by the State. Notice of fee changes are sent to the counties in late October or early November and take effect on January 1 of the following year. It is unknown at this time whether the vital fees will change for January 1, 2015.

Parks - Fund Center 305

As shown in the chart below, the fee schedule workbook being submitted by Parks contains a total of 76 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
76	76	0	0	0	0	N/A

The methodology used to calculate proposed fees has not changed from prior years. Fee calculations for most Parks fees are based on market studies, with the exception of the Residential Subdivision Referral Fee, which is based upon the Historical Actual Cost method.

The department is not requesting any changes to their fees.

Overall, FY 2015-16 fee revenues are expected to increase less than 1% (\$20,188) compared to FY 2014-15 budgeted fee revenues, due to increased marketing and promotion efforts and the implementation of a new on-line reservation system.

Probation - Fund Center 139

The Probation Department charges a total of 34 fees.

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
34	22	1	11	0	0	31

As in past years, fee calculations for Probation were based on time studies except for those fees set by statute. Approximately one-third of the department's fees are proposed to decrease in FY 2015-16, due to a decrease the department's indirect cost rate. The cost of staff time associated with these fees has not changed. One fee is proposed to increase, the daily fee for Juvenile Detention. This fee is increasing by \$1.00 or 3%, because the state has raised the cap on the maximum allowable charge for juvenile hall fees. Actual daily cost associated with this fee is \$43, a cost recovery rate of 72%. No new fees are proposed to be added or deleted.

All fees are set at full cost recovery with the exception of the Juvenile Detention fees which are set by statute. However, the department does not expect full cost recovery in the year that the fees are applicable for the following reasons:

- Although Probation has calculated and proposed its fees at the maximum amount that can be ordered by the court, every client is assessed for their ability to pay and the fee amount is reduced accordingly.
- The fees are ordered by the judge. Not every eligible fee is ordered in every case.
- Pursuant to Assembly Bill 3000, priority of collection is set by the State Controller's Office, and local fees and reimbursement for local services are prioritized last on any criminal court ordered case.
- Since all restitution and state monies would be collected first, local fees are often not collected until the second or third year of the typical three-year grant of probation.

As a result of these considerations, it is difficult to accurately project the amount of fee revenue the Probation Department will collect and realize within a fiscal year. The department estimates that the fee revenue for FY 2015-16 will be on par with the FY 2014-15 adopted amount of approximately \$343,000.

Golf - Fund Center 427

As shown in the chart below, the fee schedule workbook being submitted by Golf contains a total of 92 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
92	91	1	0	0	0	N/A

The methodology used to calculate proposed fees has not changed from prior years. All Golf fees are calculated based on a market survey to confirm that proposed fees align with fees charged by other operators in the local golf market. In addition to conducting market surveys, Golf staff engaged with golf course concessionaires, the Golf Course Advisory Committee and the Parks and Recreation Commission to develop consensus on proposed fee changes.

No changes are proposed to the majority of Golf's fees, with the exception of the Basic Discount Card fee, which is proposed to increase 26.3%, from \$99 to \$125 annually. This fee was reduced significantly, from \$135 to \$99 in FY 2011-12. A recent market survey has determined that this is the only Golf fee that is under market at this time. The proposed increase will generate additional revenue to better support operations and fund deferred maintenance. The fee will remain under the amount charged prior to FY 2011-12 and will not result in the fee being higher than market average.

Overall, FY 2015-16 fee revenues are expected to increase 2% (\$48,059) compared to FY 2014-15 budgeted fee revenues, due largely to a projected increase in play at the County's courses.

SUMMARY OF CHANGES TO CURRENT FEES
Schedule "B" – Fees Effective JULY 1, 2015

Administrative Office – Fund Center 104

As shown in the table below, the Administrative Office has a total of 4 fees and is proposing one of them to increase, two to decrease and one to remain unchanged. The *Copy fee* is set by ordinance and is unchanged. The fee for the *County's Budget Book* is increasing from \$35 to \$40, the fee for the *Board of Supervisors Agenda (weekly)* is decreasing from \$3.10 to \$1.75 and the fee for the *Board of Supervisors Agenda (annual)* is decreasing from \$124 to \$66.25. All fees are based upon actual cost from the County's local printing and copying vendor. Copies of the County's budget and agenda are available at no cost on the County's website and can be viewed at the local libraries or the County Administrative Office.

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
4	1	1	2	0	0	4

Agricultural Commissioner – Fund Center 141

As shown in the chart below, the fee schedule workbook submitted by the Ag Commissioner contains a total of 82 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
82	58	13	8	2	1	13

As in the past, fee calculations were based on time studies with the exception of those fees set by statute. Sixteen of the 82 fees charged by the Ag Commissioner are set by statute. Two fees are proposed to be added, *Jewelry and Prescription Scales* and *All Scales >100 and <2000 lbs., except Computing, Jewelry and Prescription*, for FY 2015-16. These two new categories were separated by statute from existing categories and assigned higher fees in order to more fully recover the higher cost of inspecting these specific devices. As with all previous device registration fee increases, the department has adopted a gradual approach and these proposed new fees are at levels less than authorized in statute.

One fee is proposed to be eliminated, *Service Agent Exam and License* fee. This fee corresponds to an exam no longer administered by the department. Seven fees are proposed to decrease in order to bring mileage rate charges down to the current standard rate. Market Registration is also proposed to decrease due to a reduction in actual cost. The department has applied a five year average to the cost calculation for the Market Registration fees in FY 2015-16 in order to account for fluctuations in costs over time and number of units served. This revised cost calculation is intended to moderate fee adjustments to our customers.

A total of thirteen fees are proposed to increase for FY 2015-16. The hourly rate charged for all fees is proposed to increase based on increased salaries and results of our annual cost study resulting in the proposed increase in ten fees. In addition, four device fees related to Weights and Measures are proposed to increase to more fully recover costs, in accordance with current statutory limits. The proposed changes to all four of these device fees are increasing significantly by 50%-100% (\$25.00-\$50.00) in order to more fully recover costs however they remain less than the statutory limit.

Agriculture and Weights and Measures fees help fund state mandated services, with the exception of the Land Use Planning referral program. All fees attempt to reasonably recover costs. The department attempts to balance the potential impact of fees on county businesses with a reasonable level of cost recovery. There are some fees that have historically remained at less than full cost recovery to keep in line with what neighboring counties charge for the same service, such as export certificates and farmers market. Qualified farmers market producers receive a veteran's exemption for certificates and site inspections. Some fees have a statutory limit and will not achieve full cost recovery at full service levels.

Revenue from fees represents approximately 15% of the total department revenue based on the FY 2014-15 budgeted amount. The projected fee revenue for FY 2015-16 is \$521,048, slightly more than the FY 2014-15 budgeted amount of \$495,000.

Airports - Fund Center 425

As shown in the chart below, the fee schedule workbook being submitted by Airports contains a total of 68 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
68	47	12	0	5	4	4

The methodology used to calculate proposed fees has not changed from prior years. Fee calculations are based on market surveys of comparable airports, cost recovery and appraisal studies to ensure relative consistency with the fees charged by other Airports. Fees are also structured to abide by the Federal Aviation Administration's (FAA) Rates and Charges Policy.

Airports is proposing to add five new fees, increase twelve fees, and delete four fees. The proposed fee changes will facilitate cost recovery where appropriate, and keep the airport well within market rates. All proposed fee changes have been reviewed with the Airport's tenant and user group and no concerns have been raised by that group.

Historically, Airports' fees have been included on both Schedule A and Schedule B. In FY 2015-16, Airports is proposing to move all fees on Schedule A (Parking Fees) to Schedule B, with an effective date of July 1st. This change is driven by the recent installation of parking payment kiosks in August 2012. The kiosks charge parking fees based on what fee levels are at the time that customers park. During the holidays, Airport users experience a greater occurrence of cancelled flights and extended vacations. When parking fee changes go into effect at the beginning of the calendar year, there is a greater number of Airport customers who are impacted by the fee change during their parking time, than if fee changes go into effect in July, when not as many customers are parked at the Airport and less flights are cancelled. The proposed change to move all Airport fees to Schedule B provides for improved clarity of charges and promotes better customer service.

Airports is proposing to delete four fees. The *Conference Room Rent* fee is proposed to be deleted because it is no longer being utilized. There are currently three fees charged for overnight parking for various sizes of transient aircraft. The fee for *small, light, multi-engine aircraft* is being deleted, due to the fact that it is not utilized. An increased fee for *small single engine transient aircraft overnight parking* will be charged for any aircraft that may otherwise have been charged this deleted fee, and is discussed below. The *Commercial Use Impact for the Parking Lot* fee, which charges an amount based upon the degree of impact on Airport facilities is proposed to be deleted. The *Application Fee for permits, leases, and concession agreements* is also proposed to be deleted, due to the fact that it is charged for a variety of different types of business applications. The fee is proposed to be replaced with two new fees that will recover the costs of processing different types of business applications, as discussed below.

As noted above, Airports is proposing to add five new fees, some of which are intended to replace fees that are being deleted. The *Application Fee for permits, leases, and concession agreements* which is being deleted is proposed to be replaced with two new fees which will more accurately recover costs based on the business service for each application. The proposed *Ground Transportation Application Processing Fee* will remain at \$50 per application (consistent with the amount charged for the fee proposed for deletion) and the proposed *Application Review Fee for New Enterprise and Business Proposals* is proposed to be \$200 per application, based upon the increased amount of staff time associated with processing applications other than ground permits.

The *Commercial Ground Taxi and Shuttle Fee* is a monthly fee that is proposed to be charged to taxi and shuttle businesses conducting business to, or originating from the airports. Airports is also proposing to add the *Film Permit Fee*, which has been charged by Real Property Services within General Services. The fee still exists on Real Property's fee schedule, but Airports is proposing to add the fee to its own fee schedule to recover the Airport's costs associated with the issuance of film permits, which is done by Airport staff who performs real property services. The addition of this fee has been coordinated with Real Property Services and the amount is consistent with the fee that General Services charges for

this purpose.

Finally, Airports is proposing to add an additional security badge fee in an effort to appropriately recover costs related to badge training, maintenance and supplies. Airports issues three security badges for three different areas of the Airport, Airport Operations Area (AOA), Sterile Area and Security Identification Area (SIDA). The SIDA and Sterile Area badge requires more extensive training, staff time, background checks, and regulation. It is industry standard to charge a higher fee for SIDA and Sterile Area badges, and a lower rate for Airport Operations Area (AOA) badges. A new fee, *Airport ID Badge – SIDA/Sterile* would enable Airports to recover more of the costs associated with badging SIDA and Sterile Area airport patrons. The security badging costs are driven by Transportation Security Administration regulations.

The fees that are proposed to increase cover a variety of services provided by Airports. As noted above, the fee for overnight parking for small single engine transient aircraft is increasing in conjunction with the proposed elimination of a similar fee for mid-size aircraft, in an attempt to simplify transient fee rates. Many of the proposed increases are not significant, but some fees are proposed to increase by more than 10%. The *Commercial Ground Vehicle Access Fee* is proposed to increase just over 11% (\$5) in order to recover costs related to infrastructure use, security badging requirements and FAA regulatory requirements. The *After Hours Call Out Fee* is proposed to increase 344% (\$172). While this increase is significant, it is necessary in order to recover more staff time costs associated with the fee and it should be noted that the increased fee will still not fully recover staff costs associated with this service. In addition to recovering costs, the increased fee is also intended to rely on the Airport Fixed Base Operator for after hour call outs, rather than relying on Airport staff for the service.

The *Oceano Camping Fee* is proposed to increase by 50% (\$5) based upon market surveys of similar campgrounds in the area. Despite the increase, the proposed fee is still well under rates in comparable campgrounds. Other fees with significant increases related to tenant parking (annual permits are proposed to increase 4.5% or \$25 per year, tenant parking permits are proposed to increase 150% or \$15 per permit, and tenant replacement parking permits are proposed to increase 133% or \$20 per replacement), fingerprint processing, badging and escort fees. These fees are proposed to increase in order to recover staff time costs. As noted previously, all fee changes have been reviewed with the Airport's tenant users group and no concerns were raised. None of the increases are expected to be cost prohibitive.

Overall, FY 2015-16 fee revenues are expected to increase just over 4% (\$130,224) compared to FY 2014-15 budgeted fee revenues. The expected increase is due largely to increased enplanements and resultant increase to parking and terminal rent revenue.

Assessor – Fund Center 109

As shown in the chart below, the fee schedule workbook being submitted by the Assessor's Office contains a total of 22 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
22	11	10	0	0	1	19

The methodology used to calculate this year's proposed fees did not change from previous years and is based upon average productive hourly rate, indirect and direct salary costs, average labor cost per service, countywide overhead cost, as well as surveys of other County Assessor offices for comparable fees.

One fee is being recommended for deletion. *Separate Tax Bill*, will be deleted and added to the Tax Collector's fee workbook. Ten (10) fees are proposed to increase ranging from \$0.25 (4%) to \$6.00 (9%) due to either increases in salaries or services and supplies or a combination thereof. Of the fees being proposed for increases in FY 2015-16, only five (5) are being increased to full cost recovery levels. However the remaining are slightly above 98% of the cost recovery amounts. The department will continue to incrementally increase the remaining fees still below cost recovery levels.

While the majority of proposed fees are set for full cost recovery, the *Proposition 58 Parent/Child Late Transfer* fee has historically remained at less than cost per California Revenue and Taxation Code which sets the fee at an amount not to

exceed \$175.

Overall, FY 2015-16 fee revenues are expected to increase by 5% (\$1,560) compared to the FY 2014-15 fee revenue of \$28,500.

Auditor-Controller – Fund Center 107

As shown in the chart below, the fee schedule workbook being submitted by the Auditor-Controller contains a total of 12 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
12	10	1	0	0	1	11

As in the past, fee calculations were based on prior year actual costs, average productive hourly rate, computed indirect costs and benefit rates and actual costs charged by vendors.

There are a total of 12 fees charged by the Auditor-Controller. Of those, ten are recommended to remain unchanged, one to increase and one is being deleted. No new fees are recommended. The majority of the fees charged by the Auditor-Controller's Office are at actual cost or at full cost recovery. It should be noted that the majority of the fees charged by the Auditor-Controller's Office are rarely used but are in place in the event they are needed.

The fee for duplicate W-2/1099 documents is recommended to be deleted. Since the implementation of SAP, the County's financial system, the cost to replace these two documents is minimal. The fee to purchase the County's budget book is recommended to increase \$5 or 14%, from \$35 to \$40. This fee is set at the actual cost charged by the County's copying vendor.

The department receives minimal revenue from fees and for FY 2015-16 fee revenue is projected to increase by \$25 or 1% when compared to FY 2014-15 budgeted fee revenue of \$2,600. Actual revenue for FY 2013-14 was \$2,620.

Clerk-Recorder – Fund Center 110

As shown in the chart below, the fee schedule workbook being submitted by the Clerk-Recorder contains a total of 82 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
82	80	1	0	0	1	25

The methodology to calculate the proposed fees did not change from previous years, with one exception. The methodology involves the Average Productive Rate and Time Studies. This method was utilized for all fees that are under local control, as all services provided by the Clerk-Recorder have a labor component. The exception is the *Findings of Fact* fee, which utilized a comparable fee survey, along with productive rate. Mandated fees are dictated by California laws and are not subject to yearly increases.

The department is not proposing to decrease any fees or add new fees. The department is proposing to change the fees for the two Findings of Fact for Assessment Appeals increasing the *Complex Findings* fee and deleting the *Simple Findings* fee. This eliminates the need to determine whether the Findings are "simple" or "complex" and recognizes that lengthy hearings will likely involve more complex issues and result in a commensurate amount of time to prepare the Findings. The fee for the preparation of Findings of Fact for an appeal heard by the Assessment Appeals Board was first established in 1988. This fee (\$75.00 per application for simple findings and \$125.00 per application plus \$50.00 per hour for each additional hour for complex findings) has remained unchanged for 25 years. The Clerk has reviewed the actual time required to prepare Findings, which includes County Counsel's review of the hearing audio, minutes, documents, drafts, testimony, and comments. The current fees do not accurately reflect the cost of providing this service.

The proposed fee uses other county models, charging an application fee and an hourly charge for anything requiring more than 1 hour of preparation time. The hourly rate is based on the County Counsel productive rate approved by the Auditor's Office. The proposed fee will not entirely cover the cost of completing Findings of Fact, but will more accurately reflect the cost of this service.

The majority of fees that fall under the County's authority are at full cost recovery, if not a slight percentage less. While the Clerk-Recorder tries to achieve full cost recovery for every fee, it is also imperative that vital services remain affordable for the general public. The department continues to set the fee for marriage licenses below the actual costs because nearly 1/3 of the total fee is collected for other agencies and funds. The fees that are set by State mandates have not had the actual costs determined therefore it is unknown what percentages of the fees fall above or below actual cost.

Overall, the Clerk-Recorder projects approximately \$2.6 million in fee revenue for FY 2015-16 which is an increase of less than 1% (\$8,565) from FY 2014-15 budgeted fee levels. It should be noted however, that this projection includes the collection of fees for other agencies (including the State, other departments and trust accounts) and does not accurately reflect the fee revenues that the Clerk-Recorder's Office projects to receive. Adjusting for this, the Clerk-Recorder's total fee revenues are projected to increase by 1.4% (\$22,646) compared to the budgeted FY 2014-15 fee revenue of \$1,580,560.

County Counsel – Fund Center 111

As shown in the chart below, the fee schedule workbook submitted by County Counsel contains a total of 4 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
4	2	0	2	0	0	4

Most of Counsel's fees are set by statute. The department's one discretionary fee is the one that is charged for legal services to outside agencies. The methodology for calculating that fee is ICRP. Overall, FY 2015-16 fee revenues are expected to decrease by 1% (\$3,100) compared to the FY 2014-15 budgeted amount of \$231,200.

County Fire – Fund Center 140

County Fire is proposing a total of eight fees for FY 2015-16:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
8	0	4	0	4	2	8

As in the past, Fire's fees were calculated based on time studies. All of the department's fees are set at full cost recovery. In FY 2015-16 Fire is proposing to delete the Site Plan Review and Inspections fee. Because site plan review and the cost of this activity has been incorporated into the department's other fees.

Two fees are proposed to be deleted and four are proposed to be added. The *Parcel Map and Tract Map Review and Inspection* fee is the first fee being deleted. In its place the department proposes to add a *Parcel Map Review and Inspections* fee, set at \$800, and a *Tract Map Review and Inspections* fee, set at \$796. Both new fees are proposed at the full cost recovery level.

The *Fire Alarm System and Fire Sprinkler Plans* fee is the other fee being deleted. In its place the department is proposing to add a *Commercial Fire Sprinkler System Plan Review and Inspections* fee, set at \$325, and a *Commercial Fire Alarm System Plan Review and Inspections Fee*, set at \$343. Both new fees are proposed at the full cost recovery level.

County Fire's four remaining fees are proposed to increase, as shown below, to reflect incremental increases in indirect costs and salary and benefit expenses for the staff that provide the services delivered under the fees.

Fee	FY 14-15	FY 15-16	Increase	
Development Plan, Conditional Use Permit, Minor Use Permit	\$ 638	\$ 680	\$42	7%
Conditional Certificate of Compliance	\$ 473	\$ 504	\$31	7%
Residential Fire Safety Plan	\$ 418	\$ 446	\$28	7%
Commercial/Industrial Plan, or non-residential	\$ 739	\$ 784	\$45	6%

The department projects that fee revenue for FY 2015-16 will increase approximately 25% over the amount in the prior year adopted budget, from \$210,000 to \$260,000.

District Attorney - Fund Center 132

As shown in the chart below, the District Attorney charges a total of 8 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
8	6	1	0	1	0	2

As in the past, fee calculations for the DA's fees are based on time studies, with the exception of the fee for photocopies, which has been set by Board policy at 10 cents per copy. Six fees are proposed to remain unchanged. One fee is proposed to increase. This is the *CD Copies* fee, which is proposed to rise from \$8 to \$9 per CD. This will increase cost recovery from 64% to 71%. One new fee is proposed, a *Double Layer DVD* fee, set at \$16 per DVD. This fee is set at 97% cost recovery and is used when copies of evidence DVDs are made in the double layer format. The majority of the District Attorney's fees are set at or slightly below full cost recovery. The department anticipates that fee revenue for FY 2015-16 is projected to increase marginally over the FY 2014-15 budgeted amount, from \$19,000 to \$22,000.

Fleet - Fund Center 407

As shown in the chart below, the fee schedule workbook being submitted by Fleet contains 1 fee:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
1	0	0	0	0	0	1

The methodology used to calculate proposed fees has not changed from prior years. Fee calculations are based on calculating operating costs based on prior year actual costs, estimating usage based on prior year actual data by vehicle and agency, and the dividing costs by productive hours to determine hourly rate.

Fleet is not requesting any changes to their fees.

Fleet's fee revenues have been increasing for the past several years. Overall, FY 2015-16 fee revenues are expected to increase just 4.3% (\$1,135) compared to FY 2014-15 budgeted fee revenues.

General Services - Fund Center 113

As shown in the chart below, the fee schedule workbook being submitted by General Services contains a total of 31 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
31	25	0	3	1	2	3

The methodology used to calculate proposed fees has not changed from prior years. Fees for Central Mail services are calculated based on actual cost recovery, based on historical information. Sale of Plans and Spec fees, and the Vets Hall fees are set based on a survey of comparable entities to determine the appropriate fee amounts.

The majority of the department's fees are proposed to remain the same. The department is requesting to decrease three fees, delete two fees, and add one new fee.

The fees proposed for decrease are all Central Mail fees, which are charged for the pick-up and delivery of mail for external organizations which utilize Central Mail services. These fees are set based on the full cost recovery of pick-up and delivery costs and postage costs, and are decreasing due to an anticipated decline in postage needs and a reduction in Countywide overhead. The monthly fee for mail services outside of the County Government Center area is decreasing by \$2.18 or 1.6%, from \$135.11 to \$132.93. The monthly fee for mail services inside of the County Government Center area is decreasing \$1.96 or 2.0%, from \$98.58 to \$96.62. Finally, the *Central Mail Overhead* fee, which is charged to external organizations as a percentage of the amount of actual postage used is decreasing by 4.69%, from 38.54% to 33.85%, associated with adjustments for current cost accounting data.

The department is proposing to delete two of its fees related to permitting for filming in areas within the County's jurisdiction. It is recommended that a single new fee for film permitting be added to replace the fees being eliminated. Currently, the department charges \$500 a day for permits to film TV commercials and video or take still photography, and \$550 a day for permits, as well as a \$12,000 retainer to film feature films or TV movies in areas within the County. It has been determined that the existing fee structure is inconsistent with how other counties charge for film permitting and it is recommended that these fees be deleted. The department is recommending the addition of a single new fee of \$200 for permit applications and then \$400 for an actual permit for all types of filming within areas under the County's jurisdiction, to replace the deleted fees. The new fee will provide for a permit enabling up to seven consecutive days of filming, which will be more aligned with the fee structures of other counties. It is likely that this change will result in a lower fee charged in most cases, such as the filming of commercials, which typically don't take several days to complete. With respect to feature films, there will no longer be a large deposit, and the new fee will be more flexible to allow staff to work with film professionals on the individual circumstances of the application, such as impacts to facilities or staff hours.

The local film commission and visitors bureau has recommended the elimination of daily fees and of large deposits in order to allow the County to be more responsive to all film inquiries and the new fee structure is expected to encourage filming within the county. County Code continues to allow for exemptions to film permit fees, which provide that charitable films produced by public entities or non profit organizations and students are exempt from permit fees for filming. Exemptions as outlined in County Code will apply to the new fee as well. Permitting requirements for commercial motion pictures, television productions and still photography are outlined in County Code Title 2, Chapter 2.11.050 et seq.

While General Services' Central Mail fees are set based on cost recovery, most fees and fee deposits have historically remained at less than cost to encourage use of services for which fees are charged. For example- Access, Use and Film permits are maintained below actual cost as an incentive for filmmakers to showcase the San Luis Obispo area.

Overall, FY 2015-16 fee revenues are expected to decrease 6.3% (\$6,600) compared to FY 2014-15 budgeted fee revenues, due largely to decreased Central Mail fees discussed above.

HEALTH AGENCY

Animal Services – Fund Center 137

As shown in the chart below, the fee schedule workbook submitted by the Health Agency – Animal Services Division includes 78 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
80	58	3	16	2	1	39

The overall methodology to calculate FY 2015-16 proposed fees did not change from previous years. The method for most fees includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study. However, changes were made to the way the costs for clerical support were factored into the fee calculation. In the past, clerical support costs were built in as an indirect cost despite the fact that many of the duties involved in providing the service were completed by clerical staff. In FY 2015-16 the costs of clerical support were factored into the cost calculation as a direct cost similar to other labor categories. Corrections were also made to the calculation of indirect charges for services and supplies costs, which resulted in decreases to the actual cost to provide some services. Some fees were set based on a survey of comparable counties such as licensing and boarding fees.

Two new fees are recommended. The first is a fee of \$22 to return an animal found in the field to its owner without having to impound the animal at the shelter and then notify the owner. This practice has resulted in improved rates of reuniting pets with their owners. The second is a new *Potentially Dangerous Dog License* surcharge of \$85. Prior to issuing a license to the owner of a Potentially Dangerous Dog, the owner's property and confinement of the animal must pass inspection by an Animal Services Field Officer. The new fee covers the cost of the inspection.

The one fee being eliminated is the fee for participation in Camp Paws. This program was eliminated when the Humane Educator position was cut during the recession. Animal Services does not anticipate restoring this program in the near future.

Sixteen fees are recommended to decrease, primarily due to revised time studies and/or the change in how clerical support labor is calculated. The most significant decreases are the fee for *Bite Report* and *Quarantine Administration* (reduced by \$51 or 47%), *Transportation of owned animals to a Veterinarian* (reduced by \$54 or 40%), *Vicious Dog Citation* (reduced by \$96 or 25%), *Investigation and Guilty Finding in a Nuisance Abatement effort* (reduced by \$107 or 23%), and the cost for *Microchipping* (reduced by \$8 or 27%). In addition, three fees related to the disposal of deceased animals turned into the shelter by their owners have decreased between \$13 - \$26 (19% - 26%), due to a correction in the actual cost calculation.

Three fees are recommended to increase by approximately \$5 to reach or increase full cost recovery. These fees include the boarding fee for *Quarantine, Isolation and Hold Wards*, the fee for *First Impound*, and the fee for an in-house Exam conducted by the Veterinarian for impounded animals. Animal Services has set fees at full cost recovery for Quarantines, Owner Services, Cruelty Investigations, Nuisance Abatement, Citation and Fines, and Commercial and Hobby Breeder Permits.

For other situations, the Health Agency has set fees at levels less than full cost recovery to promote the successful fulfillment of other aspects of their mission such as returning stray animals to their owners, adopting homeless animals out to new homes and minimizing euthanasia.

The projected fee revenue for FY 2015-16 is expected to increase by approximately \$30,000 (3%) compared to the FY 2014-15 budgeted amount of approximately \$980,000.

Behavioral Health (Mental Health and Drug and Alcohol Services) – Fund Centers 16601 & 16602

As shown in the chart below, the fee schedule workbook submitted by Behavioral Health includes 21 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
21	4	17	0	0	0	17

Eight of the fees are for Specialty Mental Health services and 13 fees are for Drug and Alcohol Treatment services.

Specialty Mental Health Fees:

The proposed Specialty Mental Health fees for FY 2015-16 reflect legislative changes enacted through AB 1297, as was the case in the prior year. This legislation establishes a cost reimbursement rate structure for specialty mental health services that is different than what had been used in the past. Prior to July 1, 2012, the State had established a maximum allowance for Medi-Cal claims submitted by the County for reimbursement. This maximum allowance, published by the State, was consistently set well below the actual cost to provide the services. Since the State published these rates the Health Agency did not include these capped rates in the County's fee schedule. With the passage of AB 1297 in FY 2013-14, the County can now recover 50% of cost to provide mental health services up to the "usual and customary charge". AB 1297 also requires the County Board of Supervisors to approve the rates that will then be considered "usual and customary". The State Department of Health Care Services (DHCS), developed an "interim rate" which is considered the published rate. For FY 2015-16, the proposed rates for Specialty Mental Health Services reflect the FY 2014-15 "interim rate" with an added Consumer Price Index factor of 1.9%. It is important to note that almost all clients are covered by Medi-Cal and do not pay the published fees.

All eight Specialty Mental Health fees are recommended to increase; most are increasing by 2%. One exception is the fee for *Adult Residential*, which is increasing \$52/day or approximately 40%. This fee is set for full cost recovery. Medi-Cal will reimburse 50% of either the actual costs or the published rate per day, whichever is less. The recommended fee is set high enough so that the County will receive the maximum reimbursement from Medi-Cal to cover 50% of actual costs.

Drug and Alcohol Treatment Fees:

The methodology used to calculate the FY 2015-16 fees did not change from that used in prior years. The method involves the cost of providing direct service and the average time required to provide each service, based on time studies.

Services eligible for Drug Medi-Cal (DMC) have a State determined maximum rate. All fees noted are either higher than the State's maximum DMC rate, or for non DMC eligible services, the client pays on a sliding fee scale. The County's application to become the Drug Medi-Cal Administrator/Provider was approved by the State in FY 2013-14.

Of the 13 fees for Drug and Alcohol services, nine fees are recommended to increase due to increases in staffing costs as a result of step increases. Most of these increases are relatively modest (between 1.6% and 5.6%). The one significant fee increase is for the Detox Program using Suboxone, increasing by \$341 or 141%. There are two primary reasons for this increase. First, this detox program has been redesigned to extend the length of time a client is in the program from 30 days to 60 days beginning in FY 2014-15, which doubled the cost of the program. In addition the Health Agency has set the fee at full cost recovery (compared to 41% cost recovery, which is where the fee is currently set) to optimize the reimbursement from Drug Medi-Cal. Approximately 78% of the 150 anticipated Detox Program clients will be eligible for Drug Medi-Cal. For the remaining 22% of expected clients who are not eligible for Drug Medi-Cal, they can pay out of pocket the amount indicated on a sliding scale, based on their ability to pay. Or, a third party insurance company may reimburse all or a portion of the cost of this program.

For Mental Health services, the Health Agency projects an increase in revenue approximately \$1.2M (3%) compared to the FY 2014-15 projected revenue. For Drug and Alcohol services, the projected fee revenue for FY 2015-16 is expected increase \$6,000 (4%) compared to the FY 2014-15 budgeted amount of \$155,000.

Emergency Medical Services Agency (EMSA) – Fund Center 16013

As shown in the chart below, the fee schedule workbook submitted by Public Health's Emergency Medical Services (EMSA) includes 23 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
23	5	15	0	2	1	22

The methodology to calculate FY 2015-16 proposed fees did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study.

As noted above, 15 fees are recommended to increase due to an increase in costs in salaries and benefits due to step increases and in services and supplies. Most of the increases are 5% or less. The most significant change in terms or proportional increase is to the Rush fee to process Paramedic and Emergency Medical Technician (EMT) Accreditation applications. This fee is recommended to increase \$9 or 15%. The most significant fee increases in terms of dollars include fees for Training Program Approval and Program Review for EMTs and Paramedics. The fee for Training Program Approval is recommended to increase \$218 (3%) for EMT Training and \$240 (3%) for Paramedic Training. It is important to note that the Health Agency does not expect any new entities to apply for Training Program Approval. The fees for Training Program Review are recommended to increase \$104 (3%) for EMT Training Review and \$139 (3%) for Paramedic Program review. These fees are charged to entities offering training programs every four years and will be charged in FY 2015-16. At this time, only Cuesta College provides EMT and Paramedic training in our county.

Two new fees are proposed for Emergency Medical Responder Certification and Recertification. These fees are set at \$23 each. Emergency Medical Responder is a relatively new EMS provider level in California, primarily used by public safety agencies and some non-transporting responders. EMSA is proposing to establish a certification process in order to determine the number of EMRs practicing in our county and to ensure these practitioners are following an approved medical scope of practice.

One fee is recommended for elimination: the *Records Research* fee, which was established to recover costs associated with records requests associated with investigations and disciplinary actions associated with an administrative law judge hearing. In the event such records are requested, the *Detailed Administrative Investigation Fee* can be used to recover costs associated with providing these records.

All EMSA recommended fees are set at full cost recovery. The projected fee revenue for FY 2015-16 is expected to increase approximately \$5,800 or 15% compared to the FY 2014-15 budgeted amount of \$32,794.

Environmental Health – Fund Center 16002

As shown in the chart below, the fee schedule workbook submitted by Public Health's Environmental Health Division includes 149 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
149	5	135	6	1	2	91

The methodology to calculate FY 2014-15 proposed fees did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study.

Two fees are recommended for deletion: the *Service Stations (gas/lube/oil) inspection* fee and the *Small Water System Cross Connection* fee. Both of these fees are duplicative of other fees that can be used for these services. The

Hazardous Materials Facility inspection fee will apply to the inspection of service stations, and the *Cross-Connection Inspection* fee will be used for all water system cross connection inspections.

Six fees are recommended to decrease based on an updated task analysis and time study. Two such fees are related to Hazardous Materials Disclosure in Business Plans; those with 5-10 Hazardous Materials will pay \$23 less (a 7% reduction) and those with 1-4 Hazardous Materials will pay \$37 less (a 14.5% decrease). Another two fees recommended to decrease apply to Hazardous Waste Generators: those with 1-5 waste streams will pay \$22 less (a 6.5% decrease) and those with 1-5 agriculture waste streams will pay \$24 (a 8% decrease). Finally, the fee for *New Installation of an underground storage tank* is recommended to decrease \$21 or less than 1%, and the fee for *underground storage Tank Closure Removal* will decrease \$438 or 19%.

Environmental Health proposes to increase 135 of its 149 fees. On average, fees are proposed to increase approximately 3%. Four fees are proposed to increase by 10% based on an updated task analysis and time study. These fees include: *Permit by Rule* (applied to Hazardous Waste Generators under the tiered permitting structure) which is increasing \$147; *Renewal permit for an underground storage tank* (increasing \$155); and two fees for New Underground Storage Tank facilities – *Facility Modification* (increasing \$175) and *Minor Repair* (increasing \$84). The Health Agency proposes to phase in the increase for these four fees over a two year period to mitigate the impact on customers paying these fees.

As noted in the table above, approximately 60% of the Environmental Health fees are set for full cost recovery. Environmental Health has been incrementally increasing fees for many years in order to meet the Board policy of “full cost recovery where reasonable” without placing undue hardship on local businesses. The projected fee revenue for FY 2015-16 is expected to increase approximately \$151,000 (6%) compared to the FY 2014-15 budgeted amount of more than \$2.4 million.

Public Health Laboratory – Fund Center 16010

As shown in the chart below, the fee schedule workbook submitted by Public Health Lab includes 110 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
110	2	107	1	0	0	98

The methodology to calculate FY 2014-15 proposed fees is similar to that used in prior years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study. However, the Health Agency only applied indirect costs to services and supplies expenditures in prior years, and has now applied the indirect costs to labor costs as well, which is consistent with the methodology for fee calculations used in other Public Health Divisions.

The addition of indirect costs to labor is the primary reason for the increase in 107 of the 110 recommended fees. The recommended increases are to set the fees at, or near, full cost recovery for services. Forty one of the 107 fees increasing are going up by at least 20% (from \$5 to \$93). Corrections were made to the supply costs for four of the fees, resulting in proportionally higher increases than many other fees. These four fees include: *Antibiotic Susceptibility Testing* (increasing \$19 or 158%), *Standard Parasitology Panel* (increasing \$93 or 118%), *Comprehensive Parasitology Panel* (increasing \$48.50 or almost 42%), and *Rapid Plasma Reagin (RPR), Serum, Titer* (increasing \$20 or 105%).

Medi-Cal and State Office of Family Planning are the main sources of revenue for the Public Health Lab. The rate of reimbursement from these sources is set at fixed rates which are lower than the fee amounts reflected on the Public Health Lab fee schedule. It is important that fees are set at actual costs in the event reimbursement rates increase over time. Given this situation, the increases in fees are not expected to generate additional revenue.

The projected fee revenue for FY 2015-16 is expected to remain level with the FY 2014-15 budgeted amount of more than \$1 million. The impact of the Affordable Care Act on the Public Health Lab is unknown at this time and may result in a decline in demand for services over time. This situation will be monitored closely by the Health Agency.

Health Promotion (Tobacco Control) – Fund Center 16008

As shown in the chart below, the fee schedule workbook submitted by Public Health's Tobacco Control includes only 1 fee, to issue and administer Tobacco Retailer Licenses:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
1	0	0	1	0	0	1

The methodology to calculate FY 2015-16 proposed fee did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. The cost was calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study.

The Tobacco Retail License Fee is recommended to decrease \$50 or almost 11%, from \$464 per license per year to \$414 per license per year due to an increase in the number of stores that have been issued licenses. The fixed cost to administer the Tobacco Retail License program is spread among the stores who have been issued licenses. This proposed fee is set to cover the costs of license administration and license enforcement.

Fee revenue for the Tobacco Control division in FY 2015-16 is expected to increase by \$162 or 1% compared to the FY 2014-15 budgeted amount of \$17,148. The Sheriff and the Treasurer Tax Collector also receive revenue for collection of this fee; approximately \$11,250 combined.

Suspected Abuse Response Team (SART) – Fund Center 16014

As shown in the chart below, the fee schedule workbook submitted by Public Health's Suspected Abuse Response Team (SART) includes 6 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
6	0	6	0	0	0	6

The methodology to calculate FY 2015-16 proposed fees did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study.

All six SART fees are recommended to increase modestly as a result of increases in the cost to provide services. All increases are in the range of 3.6% to 4.2% higher than the current fee amount. The most significant dollar increases are in SART Level 2 and Level 3 exams, which are increasing \$56 and \$65 respectively (4.2% each).

The projected fee revenue for FY 2015-16 is projected to remain flat compared to the FY 2014-15 budgeted amount of \$60,000.

Public Health Nursing – Fund Center 16005

As shown in the chart below, the fee schedule workbook submitted for Public Health's Nursing includes 14 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
14	5	8	1	0	0	13

The overall methodology to calculate FY 2015-16 proposed fees did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time

study. A Consumer Price Index increase of 1.9% was applied to services and supplies costs.

As noted in the chart above, there are no new fees proposed, nor are there any fees recommended for elimination. All but one fee is recommended to be set at or near full cost recovery. The one exception is the fee for *Office Visit for Minimally Established Clients*, which is set at 40% cost recovery in order to maintain consistency with other community health providers and to ensure diagnosis and treatment of communicable diseases.

Eight fees are recommended to increase slightly (by approximately 2% - 2.5%) due to increases in costs to provide the service. These fees include Office Visits for various types of clients (e.g. new or established patients) and different levels of service. These increased fees are consistent with low-income clinics in the community. The fee for issuance of a Medical Marijuana Identification Card is the one fee recommended to be decreased by \$1 due to a slight decrease in costs. Five fees are recommended to remain at current levels. These fees are for Targeted Case Management, Health Education Workshops and Office visits for a Minimally Established Client as well as administration of vaccinations.

The Health Agency projects Public Health Nursing fee revenue for FY 2015-16 to remain level with the FY 2014-15 budgeted amount of \$887,000.

Driving Under the Influence – Fund Center 375

As shown in the chart below, the fee schedule workbook submitted for Driving Under the Influence includes 8 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
8	1	7	0	0	0	6

The methodology to calculate FY 2015-16 proposed fees did not change from previous years. The method includes the Average Productive Hourly Rate, indirect costs, and time study results. Costs were calculated by determining the average productive hourly rate and multiplying this hourly rate by the number of hours from the time study.

Seven of the eight fees are recommended to increase moderately due to an increase in program costs. The amount of the fee increases range from \$1 to \$5 (or 4.2% - 5.7%). The fee for *DUI Sessions*, which is the most commonly paid fee, is recommended to increase \$2 (5.7%). Most fees are recommended to be set at, or near, cost recovery; between 94% - 100%. Two fees are set at approximately 82% cost recovery: the *Session Charge* and the *Missed Meeting Charge*. Historically the DUI program has ended the year with a surplus which has been set aside in contingencies or reserves to fund the following year, or to cover expenses when revenues dip below budgeted levels. As a result, the Health Agency is comfortable that the proposed fee levels are adequate to fully cover their costs in FY 2015-16. The projected fee revenue for FY 2015-16 is expected to decrease approximately \$33,000 (2%) compared to the FY 2014-15 budgeted amount of \$1,482,649. This expected decrease in revenue is due to the assumption that there will be a reduction in clients served, as was evidenced in FY 2013-14.

Human Resources – Fund Center 112

As shown in the chart below, the fee schedule workbook submitted by the Human Resources department contains a total of nine fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
9	9	0	0	0	0	

As in prior years, all fee calculations were based on average productive hourly rate and ICRP. All the fees for the department are set at or near full cost recovery except for the document collection fee rate for subpoenas which is set by State statute and generates approximately half of the cost of providing the service. No fee changes are being recommended by the department for FY 2015-16. Thus, FY 2015-16 fee revenue is projected to be the same as the amount budgeted for FY 2014-15 (approximately \$35,600).

Information Technology - Fund Center 114

As shown in the chart below, the fee schedule workbook being submitted by Information Technology contains a total of 13 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
13	1	5	7	0	0	13

The methodology used to calculate proposed fees has not changed from prior years. Fee calculations are based on current fiscal year budgeted salary and benefit costs and prior year actual service and supply costs to ensure cost recovery. There are significant IT projects currently underway which may result in cost recovery adjustments moving forward. No adjustment in fee calculations, cost recovery or service definitions were made in anticipation of the changes resulting from these projects.

The department is proposing to increase five fees and decrease seven fees. No new fees are proposed and the department is not proposing to delete any existing fees.

Five fees are proposed to increase due to a reduction in units recovered by the costs, and/or organizational change in positions associated with services being provided. The *Voice Mail Box* fee is increasing by \$0.87 or 38.5% (from \$2.26 to \$3.13 per line, per month). The *External User Access* fee is increasing by \$0.12 or 2.6% (from \$4.62 to \$4.74 per account, per month). The *Virtual Server* (Blade Center) fee is increasing \$1.98 or 27.3% (from \$7.26 to \$9.24). The *Virtual Server Memory* fee is increasing \$1.51 or 53% (from \$2.85 to \$4.36 per 256 Megabytes, per month). Total Enterprise Services charges are increasing by \$499,967 or 10.6%.

Seven fees are proposed to decrease due to a reduction in staff and service and supply costs associated with performing services for which fees are charged and/or an increase of units recovered by the service costs. Decreasing fees include those charged for radio communications services, voice support, Groupware, network connection, server housing, general consulting and desktop consulting.

Overall, FY 2015-16 fee revenues are expected to decrease 8% (\$139,553) compared to FY 2014-15 budgeted fee revenues. The projected decrease in revenue is largely due to decreases in radio communication services, network connection and desktop consulting fees.

Library – Fund Center 377

As shown in the chart below, the fee schedule workbook submitted by the Library contains a total of 41 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
41	33	3	2	3	0	1

As in prior years, the Library used the full cost recovery and the comparable fee survey methods for calculating the FY 2015-16 fees. The full cost recovery method involves a direct labor/productive rate combined with an average replacement cost. The comparable fee survey method was used to calculate the Library's overdue material fees. The Black Gold Cooperative Library System schedule of overdue fines schedule was used as the foundation for the comparison.

As noted in the table above, most fees are recommended to remain at current levels. One such fee that has received public attention and generated some confusion is the fee for rental of rooms at Library facilities. This fee is set at \$17 and is only charged to for-profit organizations. Non-profit organizations may use these rooms, when available, at no charge. It should be noted the \$17 fee is set at approximately 60% of the actual cost to process reservations and pay utilities and maintenance for these Library meeting rooms.

Three new fees are proposed to be added to the Library's schedule to allow for a charge to replace lost or damaged music CD sets, DVD and Blu-ray DVD sets and Blue-ray disks. The recommended fee to replace Blu-ray disks is \$40 and the fee to replace lost or damaged music CD sets, DVD and Blu-ray DVD sets is set at list price.

Three fees are recommended to increase: the fee for *lost or damaged Juvenile Fiction and Non Fiction* materials is increasing \$3 (approximately 14%); the fee for *mutilated dust pockets and torn pockets* is increasing \$1.50 (54%); and the fee for *requests of materials outside the Black Gold system* is increasing \$4.00 (133%). The fee increase for the lost or damaged Juvenile materials is to set the fees at a level comparable to the Black Gold system. The fee for mutilated dust pockets and torn pockets has been set too low and is recommended to increase to recover more of the cost for this issue. The fee for requests of materials outside the Black Gold system was also set too low and is recommended to increase to recover the costs of this fairly labor intensive service.

Two fees are recommended to decrease: the fee for *Lost or Damaged Adult Paperback Books* is decreasing \$7 (32%) due to the decrease cost to replace these books; and the fee for *Overdue Reference and Special Loan Collections* is decreasing 75 cents (75%) to conform with the fees charges by other Libraries in the Black Gold system.

All of the Library's fees are set below cost recovery in an effort to encourage the return of Library materials and to maintain the patronage of customers who may occasionally return their materials late. This practice is consistent with neighboring libraries. The recommended fees are similar to those charged by neighboring Libraries. Revenue from fees makes up a small portion of the Library's budget. Total budgeted fee revenue for FY 2014-15 is \$249,100 compared to total Library expenses of more than \$8.5 million. Based on the proposed fees, FY 2015-16 fee revenue is projected to be essentially unchanged.

Planning and Building – Fund Center 142

As shown in the chart below, the fee schedule workbook submitted by the Planning and Building Department includes 900 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
900	877	11	12	0	0	893

The methodology to calculate this year's proposed fees is the same method used in the preparation of department fees for the last three fiscal years. Where needed, modifications were made based on changes in the results of the time in motion studies. The hourly rate includes items planned for future expenditures where a portion of the fee will capture a portion of large investments in technology and general plan updates as allowed by law (one-fifth of the total cost needed over the next five years). This approach is consistent with the hourly rate calculation for the prior 8 years.

The Department has a large number of fees that reflect the variations in building projects. This approach ensures that clients do not pay the same fee for review of a smaller project (in terms of square footage) as a client would pay for a large project. This fee structure is more equitable and allows the applicant to better understand the cost of their permit. For land use and land division applications, the fees recognize the various types of environmental review that can occur. The fee structure reflects the difference in the time it takes to process a specific type of environmental determination and the difference in resources required to process a simple application compared to a complex application. Many of the fees on Planning and Building's fee schedule are rarely if ever used but have been put in place in case these projects are proposed by applicants.

Almost all (97%) of the department's fees are recommended to remain unchanged and thus revenue from fees is projected to increase by 1% based on usage remaining the same as budgeted for FY 2014-15. There are no new fees proposed and no fees are proposed for elimination.

The Department conducted time and motion studies for certain commonly sold Land Use, Land Division and Building fees. The Department is proposing eleven fee increases and twelve fee decreases based on the results of these studies. The fee study changes occurred primarily in three sections. Photovoltaic Fees saw an increase in one tier of Commercial Photovoltaic inspection and decreases in eleven other inspection and plan fees. The Department is also proposing increases to ten plan check fees to reflect the increased complexity of new Building Codes (six in New Construction dwellings and four in detached Garages). The Department is proposing a decrease in the Tier II fee for Surface Mine

inspection.

In addition to the few changes in fees, Planning and Building have also made one change to the Footnotes. Footnote 44, the dry well fee waiver that was approved by the Board of Supervisors, has been updated to reflect that the Paso Robles Ground Water Basin Urgency Ordinance was extended through August 26, 2015.

Almost all of the recommended fees for Planning and Building are set at full cost recovery. Per Board policy, 7 fees and fee deposits have historically been set at less than full cost recovery. The General Plan, Voluntary Merger and Pre-Application Meetings have been reduced below cost to encourage use. The General Plan fee, however, is subject to full cost recovery techniques if the processing cost of an application will be substantially in excess of the fee/deposit, as described in footnote 1. The appeal fees continue to be set below cost to allow for the process to be affordable to the appellant.

The fee revenue for FY 2015-16 is projected to be 1% above budgeted FY 2014-15 levels of \$4,428,655. It is important to note that the Board of Supervisors authorized fee waivers totaling \$157,367 in FY 2013-14

Public Works – Fund Centers 201, 245, 405

As shown in the chart below, the fee schedule workbook being submitted by the Public Works Fund Centers contains a total of 40 fees. Individual fund centers' fees are discussed below.

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
40	14	14	11	0	1	37

Public Works - Fund Center 405

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
3	3	0	0	0	0	3

There are no changes to these fees. No revenue is expected to be generated with these fees.

Public Works Special Services - Fund Center 201

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
23	5	7	10	0	1	20

In prior years, the methodology used to calculate fees was based on an average of the actual costs for the prior two fiscal years. For FY 2015-16, the calculation has been replaced with a three year average of actual costs to be consistent with the methodology used to calculate the fees found in FC 245 – Roads. Accordingly, the methodology used to calculate the FY 2015-16 fees was to average actual cost for the prior three (3) fiscal years (2011-12, 2012-13, and 2013-14) actual cost with a countywide overhead calculation of 1.29%. Countywide overhead includes the amount charged by the Public Works Internal Services Fund (ISF) to its divisions. There were several exceptions to this methodology:

1. the Filing Corner Records fee is based upon state statute;
2. the Tract Map Application, Parcel Map/Tract Map Checking and Improvement Plan checking and inspections, Development Plan Checking and Inspections and Franchise Application Review fees are charged based upon a deposit and subsequent billings for the cost of actual services;
3. the Flood Hazard Report, Annexation Map Review and Assessment Apportionment fees were increased by a CPI factor of 1.9% and countywide overhead calculation (noted above) as there are insufficient historical costs or service units to use the two-year average cost method; and

4. the Record of Survey fee was calculated based upon the method noted above but will be charged at half cost per Board direction.

There are a total of 23 fees charges by the Special Services fund center. No new fees are recommended for FY 2014-15, five are recommended to remain unchanged, one fee is proposed to be deleted, seven to increase and ten to decrease. The majority of the fees charged by this fund center are set at full cost recovery with the exceptions as noted above for the *Filing Corner Records* and *Record of Survey Fee*. These fees are set at 18% and 50%, respectfully, of full cost recovery.

The *Road Exception Request* fee for parcel and tract maps is proposed for elimination in FY 2015-16. Not only has the fee not been utilized in several years, the work and cost associated with providing this service is now captured in the *Parcel Map Checking and Improvement Plan*, *Tract Map Application*, *Checking and Inspection* fees.

Increases for 7 fees range from \$.05 to \$31 (2.5 to 31%). Decreases ranging from \$1 to \$284 (5.7% to 45.9%) are recommended for ten fees. As noted above, the recommended increases/decreases are based on an average of the past three (3) fiscal years adjusted for CPI and countywide overhead calculation.

Public Works Special Services' FY 2015-16 fee revenue is estimated to decrease by \$34,674 or 15% as compared to FY 2014-15 budgeted fee revenue of \$275,721. This revenue projection does not include any fees that are based on actual cost. Actual revenue for FY 2013-14 was \$533,807, a 27% increase when compared to FY 2012-13 revenue of \$390,568. Actual revenue includes revenue based on actual cost and/or deposit.

Roads - Fund Center 245

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
14	6	7	1	0	0	11

The methodology used to calculate the FY 2015-16 fees did not differ from previous years. Fee increases were based on the average actual cost associated with the past three (3) fiscal years (2011-12, 2012-13, and 2013-14) with an added CPI of 1.9% and a countywide overhead calculation of 1.72%. Countywide overhead includes the amount charged by the Public Works Internal Services Fund (ISF) to its divisions. Exceptions to this method are the Transportation Encroachment and Transportation Blanket Encroachment Blanket permit fees which are set by CalTrans.

There are a total of 14 fees charged by Roads. Six fees are recommended to remain unchanged; seven fees are increasing and one fee decreasing. One fee, the *Utility Blanket Encroachment permit*, is proposed to decrease by \$88 or 4.5% to \$1,885 from \$1,973. This decrease is the result of the average actual cost for calculation noted above.

A total of seven (7) fees are proposed to increase by 1.4% to 6.4% (\$1 to \$32) as a result of the methodology described above. The largest increase (\$32, 6.47%) is for *Road Impact Fee Appeal* fee.

The majority of the fees charged by Roads are set at full cost recovery with the exception of the encroachment permit fees noted above and the *Adopt-A-Road Program* fee. Participants in the Adopt-A-Road Program are charged the cost of the sign only.

Revenue from two fees, the Utility Encroachment and Driveway Encroachment permits is projected to increase by 28% (\$12,315) and 25% (\$17,017) respectively. Both these fees are proposed to increase by \$17; however, the revenue increase is based on the projected increase in units of service. As noted above, the fee for the *Utility Encroachment permit* is decreasing and it is expected that revenue will decrease minimally (\$1,408, 4.5%).

Overall, revenue from fees is projected to increase by 15 or \$28,349 as compared to FY 2014-15 budgeted amounts of \$189,023. This projection does not include a projection of revenue based on actual cost and/or deposit.

Sheriff-Coroner - Fund Center 136

The Sheriff-Coroner's fee schedule includes a total of 29 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
29	29	0	0	0	0	15

As in the past, fee calculations were based on time studies with the exception of those fees set by statute. All fees are proposed to remain unchanged. Fifteen fees are proposed at the full cost recovery level. The Sheriff's Office anticipates that fee revenue for FY 2015-16 will decline slightly compared to the FY 2014-15 budgeted amount, from \$696,00 to \$670,000 (3.7%) due to projected declining units of service for some fees.

Social Services - Fund Center 180

As shown in the chart below, the fee schedule workbook submitted by the Department of Social Services contains a total of 2 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
2	2	0	0	0	0	1

The methodology used to calculate fees was "actual costs based on historical information". The department has chosen not to change any fees for FY 2015-16 because the copy fee remains at full cost recovery, and the *Adoption* fee is set by statute and has not changed.

Treasurer-Tax Collector-Public Administrator – Fund Center 108

As shown in the chart below, the fee schedule workbook being submitted by the Treasurer's Office contains a total of 36 fees:

Total # of Fees	# Fees Unchanged	# Fees Increasing	# Fees Decreasing	# Fees New	# Fees Deleted	# Fees Full Cost Recovery
36	31	1	3	1	0	36

The methodology used to calculate proposed fees has not changed from prior years. Fee calculations are based on average productive hourly rate, indirect cost rate proposal (ICRP), and time studies. These methods were utilized for all fees, except for the Card Games or Tables for Hire Fee, which were determined based on a survey of comparable counties to determine an appropriate fee amount.

There are a total of 36 fees charges by the Treasurer-Tax Collector-Public Administrator's fund center. One new fee, the Timeshare Separate Bill fee, is recommended; however, while this fee is new to the Treasurer's fee schedule, it had been previously been part of the Assessor's Office fee schedule. It is being move to the Treasurer's fee schedule to be more efficient as the fee is not calculated until the work is done by the Tax Collector's Office to separate the bills. Three fees are recommended to decrease from \$5 to \$7 (2.7% to 21.2%). The Tax Collector Returned Payment fee is proposed to increase by \$5 or 9.6%. As noted, the Timeshare Separate Bill fee is being transferred from the Assessor's Office fee schedule. This fee is increasing by \$0.95 (11.3%) due to a change in staff performing the services. The majority of the fees charged by the Treasurer's Office are at, or near, full cost recovery, set by statute or set at actual cost.

Overall, FY 2015-16 fee revenues are expected to decrease \$13,714 or 3.3% when compared to FY 2014-15 budgeted fee revenue of \$412,595. This is largely due to revenue decreases from the Business License Renewal fee (\$29,000) and

the Public Administrator Statutory fee (\$9,356). A large estate closed in FY 2014-15 with no expectation of a similarly sized case in FY 2015-16. A portion (\$7) of the Business License Renewal fee went to recover the cost of the new Business License System. It is anticipated that the cost of the system will be fully recovered by the end of FY 2014-15 and the \$7 portion of the fee will be eliminated. Revenue projects do not include fees that are based on actual cost. Actual revenue for FY 2013-14 was \$39,081, a 9.7% increase when completed to FY 2012-13 revenue of \$403,354.

ATTACHMENTS

Fee Schedule "A"
Fee Schedule "B"
Notice of Public Hearing
2015-16 Fee Ordinance